



## ASX ANNOUNCEMENT

LAMBOO RESOURCES Limited

ABN 27 099 098 192

ASX: LMB

### CORPORATE OFFICE

Level 7, Christie Offices, 320  
Adelaide Street  
Brisbane QLD 4000

### OPERATIONS OFFICE

Unit 2, 7 Packard Street  
Joondalup WA 6027  
Telephone: +61 7 9301 1047

### CONTACT

Richard Trevillion  
Chief Executive Officer  
richard@lambooresources.com.au  
0412 307 087

Ken Banks  
Investor Relations  
kbanks@bigpond.net.au  
0402 073 999

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## LANDMARK BINDING OFFTAKE AGREEMENT SIGNED

### Highlights

- **Binding supply agreement for 50,000 tonnes (90% TGC) of flake graphite concentrate per annum from McIntosh Graphite Project on full production signed with China Sciences Hengda Graphite Co Ltd.**
- **Pricing marked-to-market for high quality purity flake at a floor price of no less than US\$2,000 per tonne.**
- **McIntosh scoping study being finalised for release very shortly - expected to confirm high margin operation.**
- **Discussions continue with Hengda to elevate the commercial relationship.**

**Lamboo Resources Limited (ASX:LMB)** is delighted to announce following its Memorandum of Understanding and almost 12 months of collaboration and testing and that it has reached a binding agreement ("Supply Agreement") to supply flake graphite to its Chinese partner China Sciences Hengda Graphite Co Ltd ("Hengda").

Managing Director and CEO, Mr Richard Trevillion said, "Our agreement with Hengda is pivotal in the company's strategy to be a key supplier to the burgeoning Lithium-ion battery market. This agreement underpins the value of the McIntosh project, with the scoping study soon expected to confirm the project dynamics of high margin production."

"We believe the growth in graphite applications, particularly in electric vehicles and their rapid adoption in China, will drive significant value. We will continue to work closely with Hengda integrating our product offerings and people."

## Key Terms of the Supply Agreement

Under the terms of the Supply Agreement, Lamboo and Hengda have agreed:

- Lamboo will supply 50,000 tpa of flake graphite concentrate grading at least 90% TGC;
- Graphite concentrate price at market values, but at a floor price of no less than US\$2,000 per tonne;
- Supply of graphite concentrate to commence at least one month from commencement of production, with delivery to Hengda's plant in China; and
- The initial term of the Supply Agreement is from commencement of production to 31 December 2018.

With Hengda headquartered in China and Lamboo in Australia, the legal jurisdiction for the Supply Agreement was agreed as Hong Kong, with the agreement accordingly governed by the laws of Hong Kong.

As announced on 6 May 2014, Lamboo has recently established a corporate office in the Central District of Hong Kong. The Company has been investigating the potential to increase its corporate presence in Hong Kong to provide greater access to Asian customers, capital markets, and its Chinese partner Hengda.

In parallel with the Supply Agreement negotiations, Lamboo and Hengda have also been investigating the possibilities for closer working relations aimed at greater integration. Discussions continue with the objective of elevating the commercial relationship to a higher level.

## About Hengda



Hengda Graphite Hi-Tech Industrial Park

Hengda was acquired by its current owners in July 2009. The company has operated a small number of graphite mines in China (Jinchang, Jingyin, and Tanjiagou) and manufactures a range of graphite products including spherical anode production for Lithium-ion batteries, downstream processing, and conducts high-tech research and development and trading activities.

Hengda has recently completed an extensive program of investment in new and upgraded facilities to capitalize upon the extraordinary growth of electric vehicles (EVs) and other high tech markets.

Along with its new graphite materials engineering and research centre, Hengda has built three industrial parks in China – a graphite mine industrial park, a basic graphite materials industrial park, and a high tech graphite industrial park.



Hengda Spherical Graphite Plant

During 2014, the company has invested significantly in graphene production, ultrathin graphite paper production and negative electrode material manufacturing. The company has 11 patents awarded and 26 under application.



Hengda Graphite Basic Materials Industrial Park

**Richard Trevillion**  
Managing Director



## Natural flake graphite products

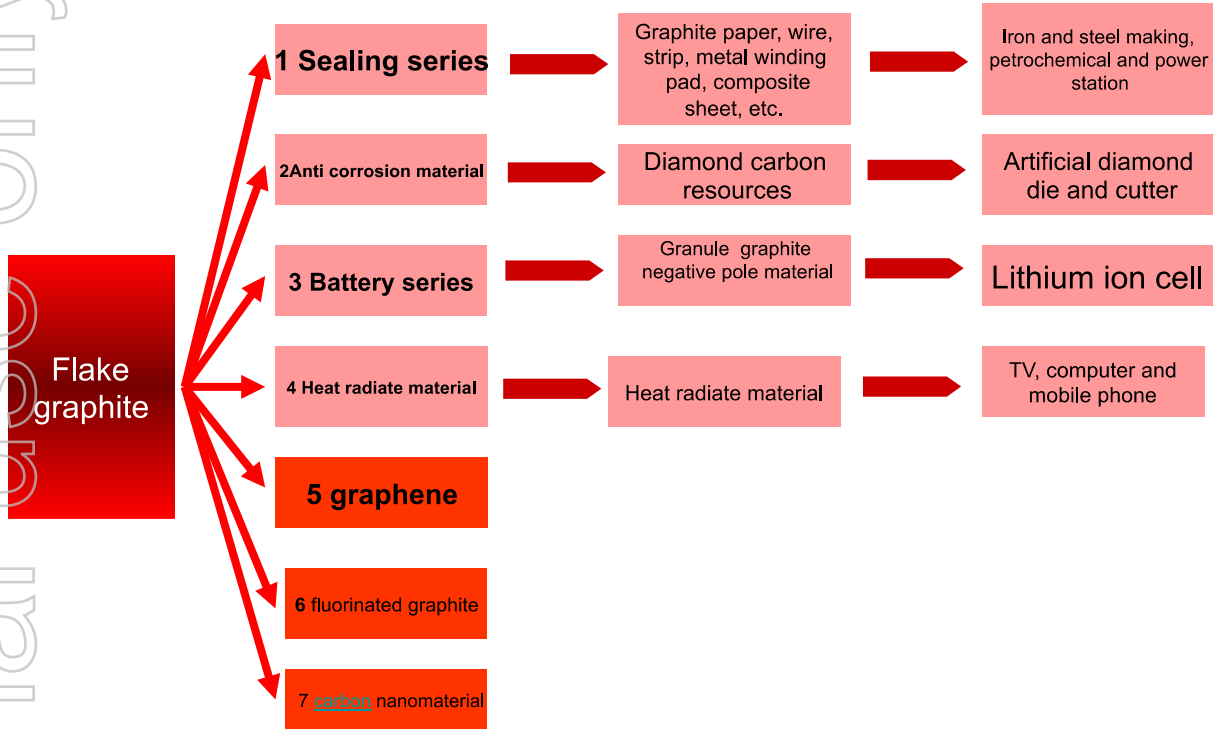


Diagram of Hengda Product Range (Source: Hengda)